

AMENDED IN ASSEMBLY FEBRUARY 20, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 53

Introduced by Assembly Member John A. Pérez

January 7, 2013

An act to amend Section 12096.3 of, and to add Section 12096.35 to, the Government Code, *and to amend Section 1401 of the Labor Code*, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

AB 53, as amended, John A. Pérez. Governor's Office of Business and Economic Development: biennial California Economic Development Strategic Plan.

The Governor's Office of Business and Economic Development serves as the Governor's lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. The office, among others, makes recommendations to the Governor and the Legislature regarding policies, programs, and actions to advance statewide economic goals.

This bill would require the office to lead the preparation of a biennial California Economic Development Strategic Plan, as specified.

Existing law provides that an employer, with certain exceptions, may not order a mass layoff, relocation, or termination, as defined, at a covered establishment without giving 60 days' prior written notice to employees and the Employment Development Department and other local agencies, as well as complying with specified federal guidelines.

This bill would require the employer to also provide written notice to the Governor's Office of Business and Economic Development and

require the Employment Development Department to post the notice on its Internet Web site.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 12096.3 of the Government Code is
- 2 amended to read:
- 3 12096.3. The office shall serve the Governor as the lead entity
- 4 for economic strategy and the marketing of California on issues
- 5 relating to business development, private sector investment, and
- 6 economic growth. In this capacity, the office may:
- 7 (a) Recommend to the Governor and the Legislature new state
- 8 policies, programs, and actions, or amendments to existing
- 9 programs, advance statewide economic goals and respond to
- 10 emerging economic problems and opportunities, and ensure that
- 11 all state policies and programs conform to the adopted state
- 12 economic and business development goals.
- 13 (b) Coordinate the development of policies and criteria to ensure
- 14 that federal grants administered or directly expended by state
- 15 government advance statewide economic goals and objectives.
- 16 (c) Market the business and investment opportunities available
- 17 in California by working in partnership with local, regional, federal,
- 18 and other state public and private institutions to encourage business
- 19 development and investment in the state.
- 20 (d) Provide, including, but not limited to, all of the following:
- 21 (1) Economic and demographic data.
- 22 (2) Financial information to help link businesses with state and
- 23 local public and private programs.
- 24 (3) Workforce information, including, but not limited to, labor
- 25 availability, training, and education programs.
- 26 (4) Transportation and infrastructure information.
- 27 (5) Assistance in obtaining state and local permits.
- 28 (6) Information on tax credits and other incentives.
- 29 (7) Permitting, siting, and other regulatory information pertinent
- 30 to business operations in the state.
- 31 (e) Establish a well-advertised telephone number, an interactive
- 32 Internet Web site, and an administrative structure that effectively

1 supports the facilitation of business development and investment
2 in the state.

3 (f) Encourage collaboration among research institutions, startup
4 companies, local governments, venture capitalists, and economic
5 development agencies to promote innovation.

6 (g) In cooperation with the federal government, foster
7 relationships with overseas entities to improve the state's image
8 as a destination for business investment and expansion.

9 (h) Conduct research on the state's business climate, including,
10 but not limited to, research on how the state can remain on the
11 leading edge of innovation and emerging sectors.

12 (i) Support small businesses by providing information about
13 accessing capital, complying with regulations, and supporting state
14 initiatives that support small business.

15 (j) Lead the preparation of a biennial California Economic
16 Development Strategic Plan.

17 SEC. 2. Section 12096.35 is added to the Government Code,
18 to read:

19 12096.35. (a) The office shall lead the preparation of a biennial
20 California Economic Development Strategic Plan. In fulfilling this
21 duty, the office shall do all of the following:

22 (1) Make recommendations regarding an economic development
23 strategic plan for the state, covering a two-year time period and
24 containing a statement of economic goals for the state, a prioritized
25 list identifying significant issues learned from proposals for
26 legislation, regulations, and administrative reforms necessary to
27 improve the business climate and economy of the state, evaluation
28 of the effectiveness of the state's economic development programs,
29 a list of key industries in which the state shall focus its economic
30 development efforts, and strategies to foster job growth and
31 economic development covering all state agencies, offices, boards,
32 and commissions that have economic development responsibilities.

33 (2) Convene a biennial meeting to provide recommendations
34 regarding a California economic development strategic plan. The
35 office shall invite businesses, labor unions, organizations
36 representing the interests of diverse ethnic and gender groups,
37 local government leaders, academic economists and business
38 professors, chambers of commerce and other business
39 organizations, government agencies, and key industries to
40 contribute to the preparation of the recommended economic

1 strategy. These meetings shall address, but are not limited to, all
2 of the following:

3 (A) Strengths and weaknesses of the California economy and
4 the state's prospects for future economic prosperity.

5 (B) Existing, emerging, and declining industries in California
6 and elsewhere.

7 (C) Effectiveness of California's economic development
8 programs in creating and retaining jobs and attracting industries.

9 (D) Adequacy of state and local physical and economic
10 infrastructure.

11 (E) Government impediments to economic development.

12 (F) The development of a system of accountability for use in
13 the annual state budget process and in the legislative process to
14 measure the performance of all state policies, programs, and tax
15 expenditures intended to stimulate the economy. In developing a
16 system of accountability, the panel, by using only existing
17 resources and without future budget augmentation made for this
18 purpose shall, do all of the following:

19 (i) Develop a standard definition of economic development.

20 (ii) Develop, for use in state law, standard measurements of real
21 per capita income, job growth and retention, new business creation,
22 private sector investment, minority entrepreneurship, and income
23 inequality.

24 (iii) Survey and evaluate efforts in other states to develop
25 accountability measures for public investments in economic
26 development.

27 (iv) Determine whether a return on investment calculation is
28 feasible for public investments in economic development.

29 (v) Conduct a comparative study of various methodologies for
30 preparing the economic development sections of a state budget,
31 including unified functional budget, zero-based budget, and
32 performance-based budget methodologies.

33 (vi) Study the feasibility of statutory disclosure requirements
34 on specified publicly funded subsidies to private sector businesses.

35 (vii) Submit a report of its findings and recommendations
36 regarding this subparagraph to the Governor and Legislature no
37 later than one year after its first meeting after January 1, 2015. The
38 report shall be submitted to the Legislature in the manner required
39 pursuant to Section 9795.

1 (b) The office shall deliver copies of the recommended
2 California economic development strategic plan to every
3 constitutional officer, legislator, member of the Governor's cabinet,
4 and every state agency, office, board, and commission having
5 economic development responsibilities.

6 *SEC. 3. Section 1401 of the Labor Code is amended to read:*

7 1401. (a) An employer may not order a mass layoff, relocation,
8 or termination at a covered establishment unless, 60 days before
9 the order takes effect, the employer gives written notice of the
10 order to the following:

11 (1) The employees of the covered establishment affected by the
12 order.

13 (2) (A) The Employment Development Department, *the*
14 *Governor's Office of Business and Economic Development*, the
15 local workforce investment board, and the chief elected official
16 of each city and county government within which the termination,
17 relocation, or mass layoff occurs.

18 (B) *The Employment Development Department shall, upon*
19 *receipt of the notice, post the notice on its Internet Web site.*

20 (b) An employer required to give notice of any mass layoff,
21 relocation, or termination under this chapter shall include in its
22 notice the elements required by the federal Worker Adjustment
23 and Retraining Notification Act (29 U.S.C. Sec. 2101 et seq.).

24 (c) Notwithstanding the requirements of subdivision (a), an
25 employer is not required to provide notice if a mass layoff,
26 relocation, or termination is necessitated by a physical calamity
27 or act of war.